

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6492

BILL NUMBER: SB 131

NOTE PREPARED: Jan 31, 2012

BILL AMENDED: Jan 23, 2012

SUBJECT: Environmental Matters.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR: Rep. Wolkins

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) *Definitions:* This bill defines "program year" as a calendar year for certain electronic waste programs. It establishes program year dates for certain recycling goals. It defines "passenger tire equivalent" as a unit of waste tire material that weighs 20 pounds. It includes tire disposal as a "waste tire processing operation". The bill also replaces the term "recycling facility" with "solid waste processing facility".

Septage Management Vehicle Identification: The bill allows the Department of Environmental Management (IDEM) to issue a septage management permit that incorporates approval of a land application site. It removes certain requirements for a septage management vehicle identification.

Requirements for IDEM: The bill requires IDEM to include restrictive covenants on a property transfer disclosure form. It requires IDEM to: (1) provide information on a property's restrictive covenants; and (2) include environmental defects on a property transfer disclosure form. The bill also requires the Solid Waste Management Board to adopt certain rules under rulemaking procedures.

Clean Manufacturing Technology Board: The bill abolishes the Clean Manufacturing Technology Board.

Compliance Advisory Panel: The bill establishes the Compliance Advisory Panel as an entity separate from the Environmental Quality Service Council and specifies the duties and membership for both the council and the panel.

Miscellaneous: The bill establishes certain waste source reduction goals. It requires the holder of an incinerator

permit to notify IDEM and appropriate local government officials about certain contaminant effects from incineration exceeding control levels of an air pollution control permit. It exempts a manufacturer of tires that keeps 5,000 waste tires or less in an enclosed structure from certain registration provisions. It exempts a person that obtains a certificate of registration from having to obtain a solid waste processing facility permit: (1) for activities covered under the registration; or (2) if the person stores or processes waste tires in a facility according to certain regulations. The bill excludes a waste tire amnesty day sponsored by a local government from certain registration requirements. It allows disposal of waste tires by: (1) delivery to a facility that retreads tires; (2) delivery to a facility that is registered as a storage site or processing operation; or (3) collection by a registered transporter. It provides that waste tire transporters may not design their own manifest form. The bill also requires from a recycler a list of collectors from which the recycler received covered electronic devices.

Repealed Provisions: The bill repeals provisions pertaining to: (1) waste exchange; (2) the Compliance Advisory Panel as a committee of the Environmental Quality Service Council; (3) solid and hazardous waste materials exchange; (4) waste incineration; and (5) waste tires.

Effective Date: July 1, 2012.

Explanation of State Expenditures: *Septage Management Vehicle Identification:* Eliminating the requirements for IDEM to issue vehicle identification numbers for vehicles used in septage management services could result in savings to IDEM. IDEM does not charge a fee for this service, but it costs the agency about \$110,000 a year to inspect about 900 septage hauler trucks.

(Revised) Requirements for IDEM: This bill requires IDEM to provide information on a property's restrictive covenants and to include restrictive covenants and environmental defects on a property transfer disclosure form. The bill also requires IDEM to produce an annual report on the state of the environment. IDEM should be able to implement these requirements within their existing resources.

Clean Manufacturing Technology Board: This bill abolishes the Clean Manufacturing Technology Board and transfers all powers, duties, assets, and liabilities to IDEM. Abolishing the board should have minimal, if any, fiscal impact because the board has not met since at least 2005. Statute provides that the board has 13 members, 11 of whom are appointed by the Governor. Two members, the Commissioner of IDEM and the Chair of the Indiana Economic Development Corporation Board, are ex officio members. Board members may be reimbursed for travel and other expenses incurred as a result of their service.

Environmental Quality Service Council (EQSC) and Compliance Advisory Panel: This bill makes changes to the membership of the EQSC and establishes the Compliance Advisory Panel as a separate entity. The bill provides that the EQSC will consist of members appointed by the President Pro Tempore of the Senate and the Speaker of the House of Representatives, and does not set forth how many members will be appointed. If the EQSC continues to have at least 16 members, then they will continue to receive a budget of \$16,500. Interim study committees with fewer than 16 members generally receive a budget of \$9,500.

The bill provides that the Compliance Advisory Panel be composed of seven members: two appointed by the Governor, four members of the General Assembly, and one member appointed by the Commissioner of IDEM. Members of the Compliance Advisory Panel, except for the member appointed by the Commissioner of IDEM, will be entitled to receive salary per diem and reimbursement for travel expenses.

Current statute provides that the EQSC consists of 17 members: 8 members from the Senate and the House

of Representatives, the Commissioner of IDEM, and 8 lay members appointed by the Governor. Also, current statute provides that the Compliance Advisory Panel consists of four legislative members from the EQSC, and the IDEM Commissioner or designee.

Miscellaneous: These provisions are not expected to have a fiscal impact.

Repealed Provisions: Repealed provisions will have no fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected:

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